

Veles Water Weekly Report:

The Economic Repricing of Water Has Already Started

1. **WATERTALK**
TECHNICAL ANALYSIS BY JOSHUA BELL
 2. NQH2O INDEX VS H2O FUTURES PRICE PERFORMANCE
 3. NQH2O INDEX HISTORY
 4. H2O FUTURES TECHNICAL REPORT
 5. NQH2O INDEX AND H2O FUTURES VOLATILITY ANALYSIS
 6. CENTRAL VALLEY PRECIPITATION REPORT
 7. RESERVOIR STORAGE
 8. SNOWPACK WATER CONTENT
 9. CALIFORNIA DROUGHT MONITOR
 10. CLIMATE FORECAST
 11. WESTERN WEATHER DISCUSSION
 12. **WATER NEWS**
 - I. CA WATER NEWS
 - II. US WATER NEWS
 - III. GLOBAL WATER NEWS
-

November 13th 2025

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VelesWater



WATER FUTURES MARKET ANALYSIS

Welcome to ***WATERTALK***

by Joshua Bell

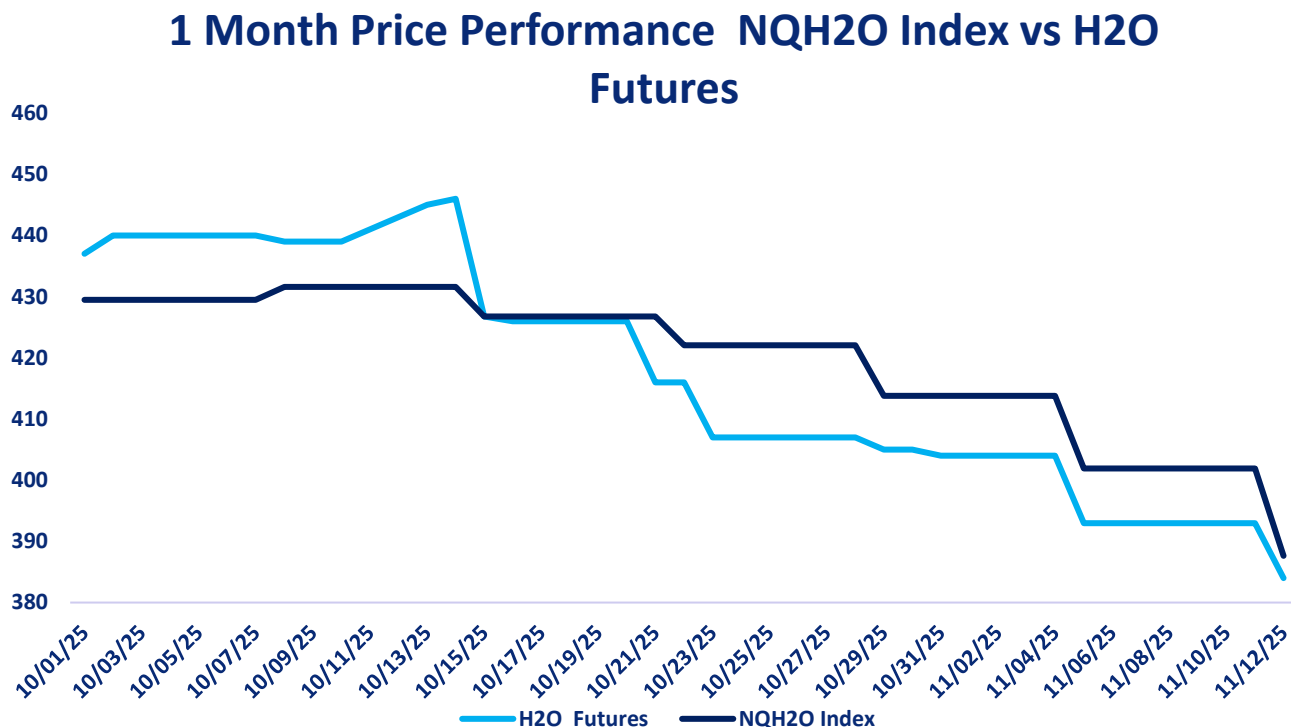
CLICK THE LINK BELOW

"A 2 minute technical analysis video of H2O futures"

[https://vimeo.com/1136390829?share=copy&fl=sv
&fe=ci](https://vimeo.com/1136390829?share=copy&fl=sv&fe=ci)



NQH2O™ INDEX PRICE vs H2O FUTURES PRICE



Price Chart Based upon Daily Close

The new NQH2O index level of \$387.64 was published on November 12th, down \$14.27 or 3.55% from the previous week. The November contract is considered the front month. The futures prices closed at a discount of \$3.64 to \$8.91 versus the index over the past week.

Below are the bid offer prices on different expiries being quoted in the market.

Nov 25	379@384
Dec 25	363@387
June 26	435@450



H2O FUTURES TECHNICAL REPORT



Trend Overview

Current Price: 384 (▼ -2.29%)

Momentum

The recent drop has driven price action into extreme oversold territory.

Both the %K and %D of the Stochastic Oscillator remain locked at 0.00, indicating maximum downside momentum and a stretched technical condition. Despite this setup, no reversal has yet been confirmed.

Moving Averages

Short-Term (SMA 5-30)

- **SMA 5:** 391
- **SMA 10:** 397
- **SMA 20:** 405
- **SMA 30:** 417

Analysis:

- Price is now firmly below all short-term SMAs, reinforcing bearish trend structure.
- The SMAs are aligned in a descending formation and have begun to curl downward.
- A recovery above 391 would be the first sign of a short-term trend shift.



- The 397-405 zone now acts as a layered resistance block from the 10 and 20-day SMAs.

Long-Term (SMA 100-200)

- **SMA 100:** 413
- **SMA 120:** 399
- **SMA 150:** 397
- **SMA 200:** 409

Analysis:

- Price remains decisively below the 100, 120, 150, and 200-day SMAs, indicating loss of medium- and long-term momentum.
- The SMAs between 397 and 413 have transitioned from trend support to stacked overhead resistance.
- Reclaiming 399–409 would be essential to restoring any broader trend strength.

Stochastic Oscillator

- **%K:** 0.00
- **%D:** 0.00

Analysis:

- The oscillator is fully pegged at zero, reflecting an overstretched downside move.
- While this suggests a potential for mean reversion, a signal would only be confirmed upon the first uptick in %K above zero.
- Until then, the current setup points to trend exhaustion, not reversal.

Resistance & Support Levels

Resistance Zones

- **391–397:** First resistance cluster (SMA 5, 10, 150).
- **405–417:** Additional resistance layer formed by SMA 20 and 30.
- **409–413:** 200 and 100 SMAs round out the long-term ceiling zone.

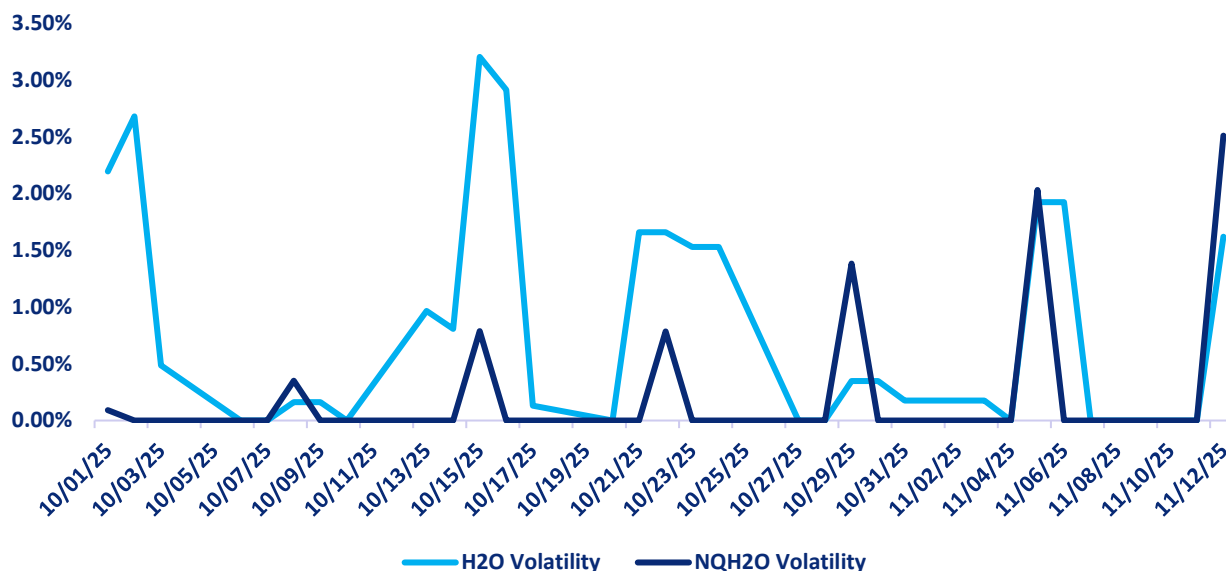
Support Level

- **380 (historical):** The only clear support. A break below this level could trigger further technical damage.



H2O FUTURES AND NQH2O INDEX VOLATILITY ANALYSIS

Daily H2O Futures Volatility vs Daily NQH2O Index Volatility



DAILY VOLATILITY

Over the last week the November contract daily future volatility has been 1.93%.

ASSET	1 YEAR (%)	2 MONTH (%)	1 MONTH (%)	1 WEEK (%)
NQH2O INDEX	19.37%	3.70%	1.60%	0.68%
H2O FUTURES	N/A	14.07%	4.32%	2.29%

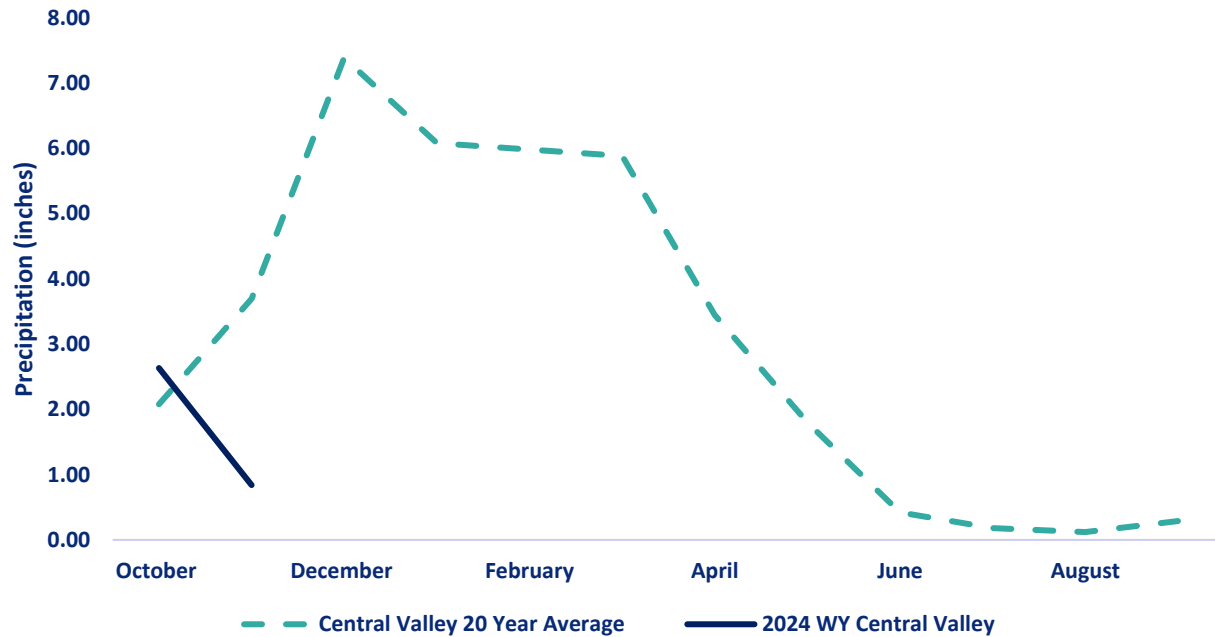
For the week ending on November 12th, the two-month futures volatility is at a premium of 10.37% to the index, down 1.65% from the previous week. The one-month futures volatility is at a premium of 2.72% to the index, down 1.37%. The one-week futures volatility is at a premium of 1.61% to the index volatility.

*The above prices are all **HISTORIC VOLATILITIES**. All readings refer to closing prices as quoted by CME.*



CENTRAL VALLEY PRECIPITATION REPORT

Central Valley Precipitation Index



Central Valley average is calculated using data from 19 weather stations in Central Valley, California.
Data as of 12/11/2025

STATION	MTD (INCHES)	WEEK ON WEEK CHANGE (INCHES)	% OF 20 YEAR AVERAGE MTD	2026 WYTD VS 2025 WYTD %	2026 WY VS 20 YEAR AVERAGE TO DATE %
SAN JOAQUIN 5 STATION (5SI)	0.34	0.34	9.87	8	90
TULARE 6 STATION (6SI)	0	0	0.00	1	113
NORTHERN SIERRA 8 STATION (8SI)	2.18	2.11	42.17	31	112
CENTRAL VALLEY AVERAGE	0.84	0.82	22.74	13	105

RESERVOIR STORAGE

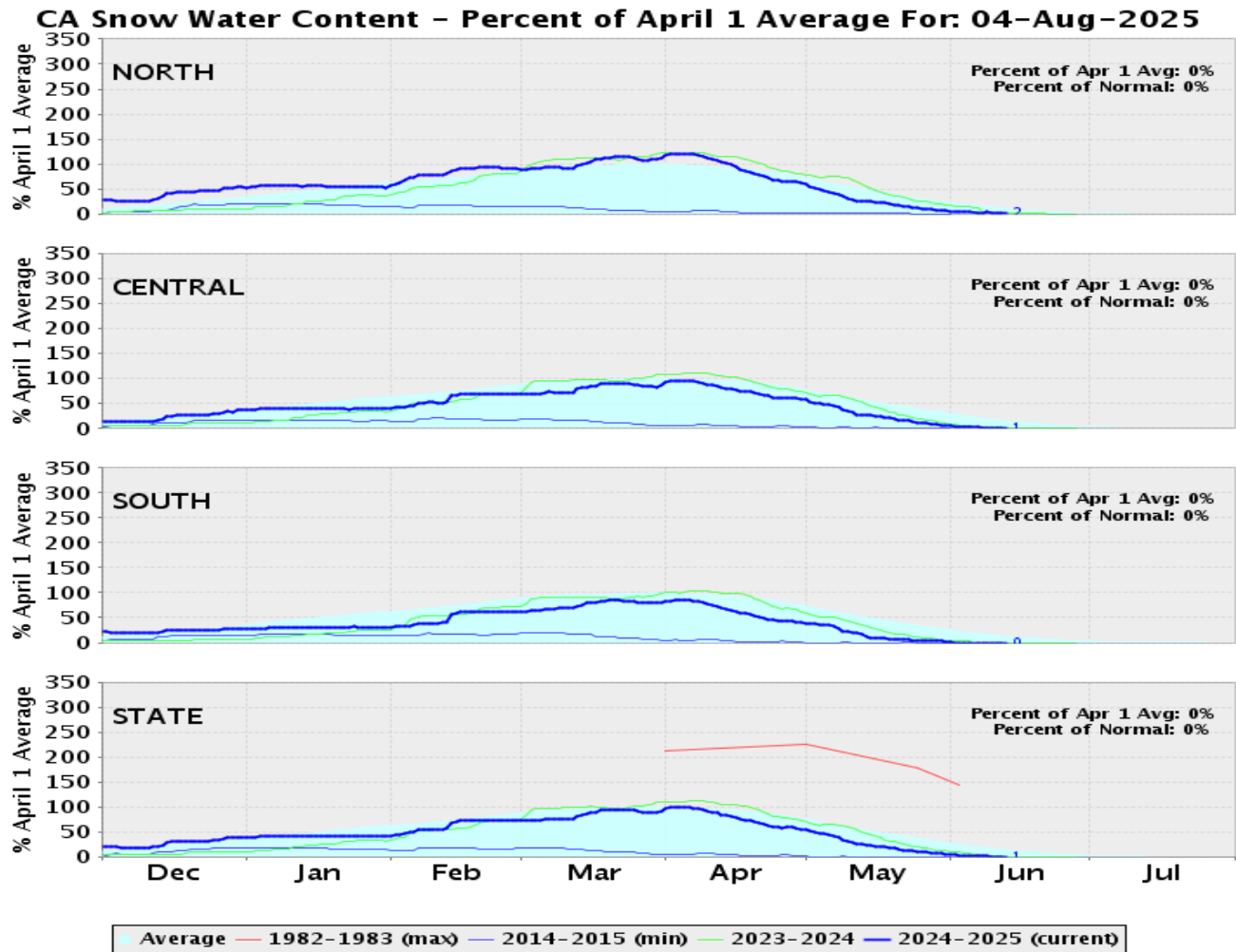
RESERVOIR	STORAGE (AF)	% CAPACITY	LAST YEAR % CAPACITY	*% HISTORICAL AVERAGE
TRINITY LAKE	1,744,491	71	65	123
SHASTA LAKE	2,538,781	56	56	104
LAKE OROVILLE	1,781,678	52	49	100
SAN LUIS RES	1,064,181	52	51	111

*% Historical Average is based on a daily average that is interpolated from historical monthly averages. The monthly averages are computed using monthly data from water year 1991 to 2024. The monthly averages are updated every 5 years using a sliding 30 year period.

[Reference: California Water Data Exchange](#)



SNOWPACK WATER CONTENT



REGION	*SNOWPACK WATER EQUIVALENT (INCHES)	WEEK ON WEEK CHANGE (INCHES)	% OF AVERAGE LAST YEAR	% OF 20 YEAR HISTORICAL AVERAGE	% OF HISTORICAL **APRIL 1ST BENCHMARK
NORTHERN SIERRA	0.5	0.5	18	18	2
CENTRAL SIERRA	0.2	0.2	6	6	1
SOUTHERN SIERRA	0	0	0	0	0
STATEWIDE	0.2	0.2	7	7	1

*Snow Water Equivalent, or SWE, is a commonly used measurement used by hydrologists and water managers to gauge the amount of liquid water contained within the snowpack. In other words, it is the amount of water that will be released from the snowpack when it melts. SWE has regional variance.

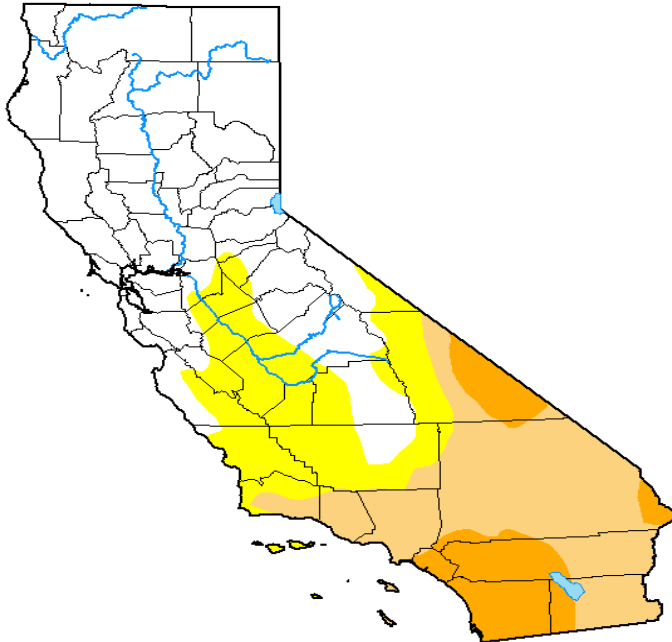
** April 1st is used as the benchmark as it when the snowpack in California is generally deepest. It has been used the benchmark date since 1941 by DWR and can be used to predict spring river flow.



DROUGHT MONITOR

U.S. Drought Monitor California

November 4, 2025
(Released Thursday, Nov. 6, 2025)
Valid 7 a.m. EST



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	49.05	50.95	31.83	9.58	0.00	0.00
Last Week 10-28-2025	47.18	52.82	31.83	9.58	1.10	0.00
3 Months Ago 08-05-2025	23.98	76.02	39.56	23.01	5.90	0.10
Start of Calendar Year 01-07-2025	39.11	60.89	35.93	10.43	1.06	0.00
Start of Water Year 09-30-2025	26.78	73.22	38.52	18.61	1.25	0.00
One Year Ago 11-05-2024	25.53	74.47	12.26	4.30	0.00	0.00

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

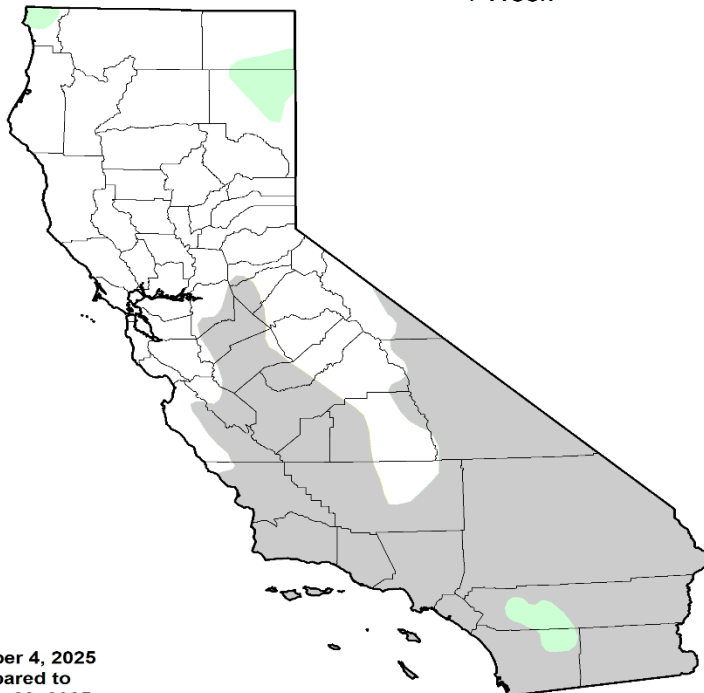
Author:

Richard Tinker
CPC/NOAA/NWS/NCEP



droughtmonitor.unl.edu

U.S. Drought Monitor Class Change - California 1 Week



November 4, 2025
compared to
October 28, 2025

droughtmonitor.unl.edu



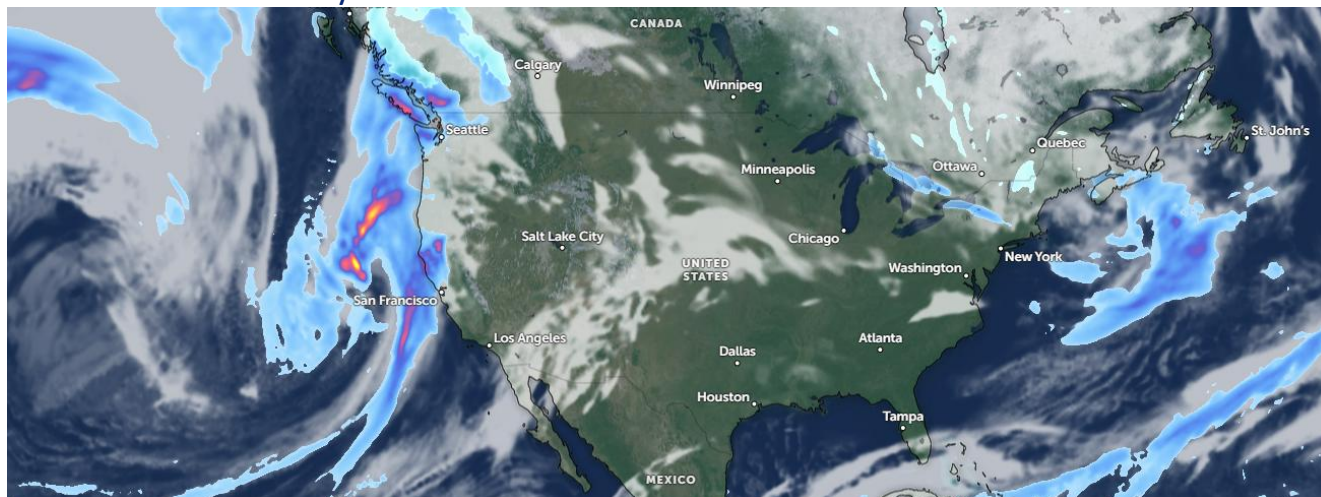
- 5 Class Degradation
- 4 Class Degradation
- 3 Class Degradation
- 2 Class Degradation
- 1 Class Degradation
- No Change
- 1 Class Improvement
- 2 Class Improvement
- 3 Class Improvement
- 4 Class Improvement
- 5 Class Improvement

The U.S Drought Monitor is jointly produced by the National Drought Mitigation Center at the University of Nebraska-Lincoln, the United States Department of Agriculture, and the National Oceanic and Atmospheric Administration. Map courtesy of NDMC.



CURRENT SATELLITE IMAGERY

The satellite picture shows a large Pacific storm creating atmospheric river like conditions in the northwest and moving in a south easterly direction bringing associated precipitation with it as far south as LA and possibly San Diego. Moisture inflow is occurring ahead of this system creating cloud cover over the Midwest. The southern and eastern US is relatively clear.



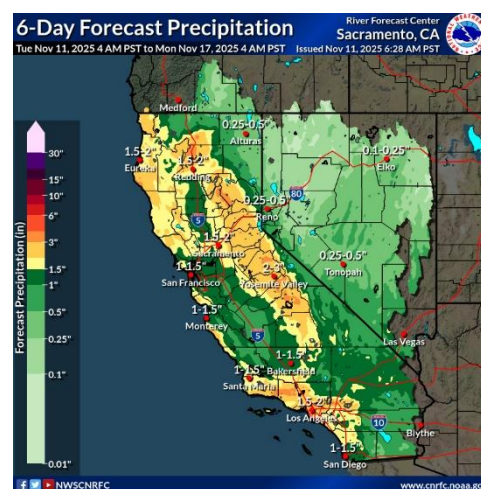
10 Day Outlook

Afternoon forecasts increased accumulations over the North Bay, Southern Sierra, LA Basin, Mt. Shasta, and San Diego Mountains by up to a quarter inch. Slight decreases (few tenths of an inch) were made along the Big Sur coast.

The southerly flow of this system will likely favor enhanced upslope moisture flux along south facing peaks, such as Cape Mendocino, Mt. Shasta, and the Transverse Range in southern California which may see increases in accumulations as new guidance comes in.

Freezing levels are forecast to start the period over 13k feet under the ridge before dropping to below 5k feet across the north and 7k feet across the south under the digging trough and behind the cold front on Thursday and into Friday.

Map Ref: Zoom Earth



Reference: National Weather Service / California Nevada RFC / Sacramento CA



WESTERN WEATHER DISCUSSION

Several inches of precipitation pelted central and northern sections of the Cascades and coastal Pacific Northwest, and 1 to 3 inch totals were common across northwestern Montana and northern Idaho, as well as the lower elevations in the Pacific Northwest between the coast and the Cascades. Several tenths of an inch of precipitation were reported farther south along the West Coast and in the lower elevations of the northern Intermountain West, but most of the West Region received no measurable precipitation for the week. This prompted areas of intensification in north-central Montana and southeastern New Mexico while the heavy precipitation led to areas of improvement in the Pacific Northwest. But given how early it is in the wet season and that normals are ramping upward fairly quickly there, improvement in dryness and drought was not as widespread as one might assume. Drought coverage (D1+) in Washington was unchanged from the prior week at 94.8 percent, and the extent of the more intense drought classifications (D2-D4) declined only slightly from 65.1 to 63.9 percent. There was even less change in Oregon, although dryness there is not as widespread as in Washington. Montana reported intensification in north-central parts of the state, but a little improvement farther west, as was the case in the fringes of the D3 and D4 areas in Idaho. According to the U.S. Geological Survey, flows along numerous rivers in the West remain very low. On the Missouri River at Great Falls, MT, in early November, streamflow was observed at 3,620 cubic feet per second, well below the mean for the date since the turn of the century (4,934 cubic feet per second, ranging from 3,880 in 2021 up to 6,470 in 2010). On the Firehole River, near West Yellowstone, MT, streamflow was 212 cubic feet per second in early November, below the 2002-2024 mean of 272 for similar dates, which ranged from 236 in 2022 to 318 in 2008. These amounts are up slightly since late summer. In late August, a field measurement of 193 cubic feet per second was bested only by 192 in early August 2016.

Reference:

Lindsay Johnson, National Drought Mitigation Center
Richard Tinker, NOAA/NWS/NCEP/CPC



WATER NEWS

CALIFORNIA WATER NEWS

Colorado River talks hit crunch time. What's at stake for California water?

Rachel Becker, CalMatters (Nov 10, 2025)

URL: <https://calmatters.org/environment/water/2025/11/november-colorado-river-deal/>

The clock is ticking down to a federal deadline Tuesday for California and six other Western states to reach the broad strokes of a deal portioning out supplies from the parched Colorado River.

Officials at the U.S. Bureau of Reclamation, the federal stewards for the river under the Department of the Interior, have threatened to impose their own plan if the states can't agree how to manage the river after 2026, when the river's current rulebook expires.

Dire projections that another dry year could send the basin's major reservoirs plummeting to alarmingly low levels have ramped up [the urgency, and the tensions](#).

But, after [two years of fraught negotiations](#), the states remain at an impasse. Those in the river's lower basin — California, Arizona, and Nevada — are clashing with Colorado, Wyoming, Utah and New Mexico upstream. A key point of contention is [how much each basin must scale back](#) their use of the overtapped river as climate change further squeezes supplies.

"We've been in a holding pattern, and we need to land this plane by Tuesday," J.B. Hamby, California's chief negotiator as chairman of the Colorado River Board of California, told CalMatters.

California's dependence on the Colorado River raises the stakes. The state takes [more than half](#) of the power generated at Lake Mead's Hoover Dam, and more water from the main stem than any other in the basin. Half a million acres of alfalfa, winter vegetables and other crops in the Imperial Valley all rely on the Colorado River, which also supplies urban Southern California via the Metropolitan Water District.

But California has also been [relatively impervious](#) to shortages on the river, with senior water rights long seen as bulletproof. Now, the questions hanging over the last days of negotiations are — how real is the threat of missing the deadline? And what exactly would the consequences be for California?

Blown deadlines on the Colorado River

For decades, federal officials have threatened to intervene if states in the Colorado River basin fail to reach agreement. The threat — and the inevitable lawsuits water suppliers fear would follow — have motivated major deals that now govern the river's operations.



Actual federal intervention is far rarer — though the U.S. government has stepped in in the past, on a smaller scale.

In the early 2000s, Southern California was forced to stop using surplus Colorado River water when other states began clamoring for their fair share. The Interior Department [set a deadline of December 31st, 2002](#) for California's water agencies to cut a deal weaning themselves off the surplus water, or face immediate cutbacks.

The Imperial Irrigation District — by far [the biggest user of Colorado River water](#) in California — balked. So the Interior Secretary cut California's supplies, leading to court battles and, ten months later, [a deal](#).

But deadlines and threats seem to have lost their teeth in recent years, when states in the Colorado River basin have blown [deadline](#) after [deadline](#), with little federal response.

Last week, Arizona Governor Katie Hobbs urged the Trump administration to be more assertive. "As we approach critical deadlines, we need the Trump administration to step in, exert leadership and broker a deal," she said in remarks prepared for a water conference.

[Elizabeth Koebele](#), a political science professor at the University of Nevada, Reno, said negotiations may have become too contentious for deadlines to matter. She attributed it to fracturing relationships between the basin states as [devastatingly dry conditions on the river](#) ratchet up the stakes.

"We have less water, and it's caused more rippling problems," Koebele said. "You're cutting a smaller pie, for more people."

State Water Board: Tulare Lake Subbasin probation — reporting and fee guidance

California State Water Resources Control Board (Updated Nov 2025)

URL:

https://www.waterboards.ca.gov/sgma/groundwater_basins/tulare_lake_subbasin.html

The State Water Resources Control Board (State Water Board) designated the Tulare Lake Subbasin as probationary at a public hearing on April 16, 2024. During probation, groundwater pumpers may be subject to reporting and fees. However, de minimis users, or small domestic (household) well users who extract two acre-feet or less of groundwater per year for domestic purposes only, [are exempt from these requirements](#). All other pumpers within the Tulare Lake Subbasin must track their groundwater extraction starting from July 15, 2024.

Atmospheric river pummels Northern California as king tides raise coastal risks

Los Angeles Times (Nov 6, 2025)



URL: <https://www.latimes.com/california/story/2025-11-06/atmospheric-storm-batters-northern-california-leading-to-authorization-of-emergency-personnel>

Summary: A strong atmospheric river brought heavy precipitation, flooding risks, and operational impacts for reservoirs across Northern California.

“We’re not stopping.” Kings County Farm Bureau vows to take groundwater case to state Supreme Court

Lisa McEwen, SJV Water (Nov 7, 2025)

URL: <https://sjvwater.org/were-not-stopping-kings-county-farm-bureau-vows-to-take-groundwater-case-to-state-supreme-court/>

As king tides bring increased risks and the chance of flooding up and down the state’s coast, an atmospheric river storm pounds some parts of Northern California.

A supermoon — the closest such moon to the Earth this year — is wreaking havoc with ocean tides up and down the state’s coast just as an atmospheric river storm moved through Northern California.

The “Beaver Moon” has brought with it king tides. And forecasters say that Southern California could see dangerous rip currents and an increased risk of drowning from large breakers, as well as the chance of coastal flooding over the next two days.

Pumping allocation workshops open to public, farmers in Kings County

Monserat Solis, SJV Water (Nov 6, 2025)

URL: <https://sjvwater.org/pumping-allocation-workshops-open-to-public-farmers-in-kings-county/>

Two Kings County water agencies are holding public workshops Nov. 12 and 14 to explain their pumping allocations.

The Mid-Kings River and South Fork Kings groundwater sustainability agencies (GSAs) both passed draft sustainable yield pumping allocations for their farmers in October. Sustainable yield is the amount that can be pumped without causing negative impacts to the aquifer, such as drying wells or causing land to sink.

But South Fork farmers [objected](#) to Mid-Kings’ allocation of 1.43 acre feet per acre of land, which is more than double what was set in South Fork at .66 acre foot per acre of land.

Both policies are now going through a 45-day public comment period.

Mid-Kings will host its in-person event Nov. 12 at 1:30 p.m. at the Kings County Board of Supervisors administrative building, 1400 W. Lacey Blvd.

South Fork will host its in-person event Nov. 14 at 1:30 p.m. at the county’s agricultural commissioner’s conference room, 680 N. Campus Dr.

Both GSAs will also hold online workshops, which will be announced in the coming days.



This disagreement between neighboring GSAs erupted as the region has come back under state scrutiny over its groundwater use.

The Tulare Lake subbasin, which covers most of Kings County, was placed on probation by the state Water Resources Control Board in April 2024 for lacking a cohesive and protective groundwater plan.

Probation typically comes with sanctions including requiring farmers to meter and register their wells at \$300 each, report extractions and pay the state \$20 per acre foot pumped. Those measures were held at bay for more than a year after the Kings County Farm Bureau sued the state and obtained a preliminary injunction against the sanctions. That injunction was overturned by the 5th District Court of Appeal in late October and the Water Board has already announced that Kings County farmers must begin reporting extractions by May 1.

California has struggled to track water use. A new system should fix this

Kurtis Alexander, San Francisco Chronicle (Oct 21, 2025)

URL: <https://www.sfchronicle.com/california/article/water-rights-21112273.php>

How much water is used in California?

Well, the answer can be murky, owing to old, often ill-defined water rights and a [flawed system](#) for tracking water use.

Discovery Sale: 6 months for 99¢. Go beyond the headlines with unlimited access.

On Tuesday, state water regulators unveiled the results of a two-year effort to better identify who has claims on California's water and better measure consumption. The new state product is called [CalWATRS](#), and it's a massive data platform that holds thousands of water-rights records and makes it easier for water-rights holders to report what they use.

Officials at the State Water Resources Control Board say the new system will ensure that water is used more appropriately in California, particularly during dry times when state officials have to ration supplies and cut off users. In past droughts, a lack of information has made it difficult to regulate water.

"We (sometimes) don't really have a good idea of what demand is, and we (sometimes) don't really have a good idea of what supply is," said Erik Ekdahl, the state water board's chief deputy directory, who spearheaded the accounting cleanup. "We're going to start having the data that really lets us understand it at a much finer resolution."

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California has about 43,000 water rights, generally held by water agencies, landowners, farms and other entities, all of which have permission to draw water from a surface supply — for example, a river or creek — based on seniority and proximity to a water



source. Some water rights date back well over a century, and their legitimacy and scope is not clearly documented.

One major obstacle for state regulators has been getting water-rights holders to accurately report their water use. The new data system replaces the state's early 2000s-era reporting platform, called eWRIMS, known for being hard to navigate and riddled with bad information. CalWATRS, officials say, is far more user-friendly and flags potential errors — such as alerting people if they incorrectly report gallons instead of acre-feet.

LADWP outage affects more than 30,000 customers before rapid restoration

Kailyn Brown, Los Angeles Times (Nov 8, 2025)

URL: <https://www.latimes.com/california/story/2025-11-08/los-angeles-power-outage>

More than 30,000 Los Angeles Department of Water and Power customers temporarily lost power Saturday after a widespread outage affected several parts of the city, according to the utility.

The power loss occurred at about 12:55 p.m., impacting customers in Koreatown, Arlington Heights, Leimert Park, Palms and adjacent areas, an LADWP spokesperson said. LADWP began working on the issue at 1:30 p.m., and as of 4 p.m. power had been fully restored to all areas.

The cause of the power outage remains under investigation.

Review of the Long-Term Operations of the Central Valley Project and the State Water Project

National Academies of Sciences, Engineering, and Medicine

Author: Committee to Review the Long-Term Operations of the CVP & SWP (2025)

URL: <https://nap.nationalacademies.org/catalog/29130/review-of-the-long-term-operations-of-the-central-valley-project-and-the-state-water-project>

Billions of gallons of water per day are channeled from northern California to drier Central and Southern California through the network of dams, canals, and other features that comprise the federal Central Valley Project (CVP), operated by the U.S. Bureau of Reclamation (USBR), and the State Water Project (SWP), operated by the California Department of Water Resources. At least two thirds of California's population and more than 4 million acres of California farmland rely in whole or in part on water delivered by these projects. In addition to delivering water to meet diverse demands, the Projects must also protect six endangered fish species, including Delta smelt, longfin smelt, Sacramento River winter-run Chinook salmon, Central Valley spring-run Chinook salmon, California Central Valley steelhead, and the southern distinct population segment of North American green sturgeon.



US WATER NEWS

Why Colorado River negotiations are so difficult

Caitlin Ochs, High Country News (Nov 11, 2025)

URL: <https://www.hcn.org/articles/why-colorado-river-negotiations-are-so-difficult/>

On the day of a Nov. 11 federal deadline for states to submit a water management plan for the Colorado River, negotiations remain deadlocked. Without agreement, it is unclear how a water supply that millions depend on will be managed after the fall of 2026.

With hours left, a deal seems increasingly unlikely — raising the possibility of the federal government stepping in with its own plan, or that states will resort to litigation. As they continue to search for solutions, negotiators and stakeholders involved in the process described frustration and concern.

Seven Western states have spent over two years struggling to reach a plan to cut water use and change rules governing major reservoirs. After 25 years of record heat and sustained severe drought, the depleted river has less to give, and it is 20% smaller on average than it was last century. With hotter, drier conditions expected to continue, the states are also grappling with limits of aging infrastructure made more urgent by low water levels and legal ambiguities.

“There’s very little to no resiliency built into the river system right now, because the system is very depleted,” said J.B. Hamby, California’s representative in the negotiations. Current negotiations are being led by the U.S. Bureau of Reclamation, the federal agency responsible for managing a complex network of dams in 17 states. If the Colorado River Basin states cannot produce a joint plan, the federal government has indicated that it will take action. Regardless of who drafts the agreement, they will need to take into account deepening legal uncertainties, longstanding tribal water rights on the river, and aging infrastructure built with abundance — not scarcity in mind.

The river’s legal system — how courts decide who gets water when — was not built for unrelenting drought. Western water law is a complex system rooted in the legal concept of prior appropriation. This means that during times of shortage, newer water users are called to cut their use first, while senior water users have more secure rights.

Post-2026 Colorado River Operations - Alternatives Development (NEPA process)

United States Bureau of Reclamation (Ongoing 2025)

URL: <https://www.usbr.gov/ColoradoRiverBasin/post2026/alternatives/index.html>

The Post-2026 process is a multi-year National Environmental Policy Act (NEPA) process to determine long-term operations for Lake Powell and Lake Mead after the expiration of existing operating agreements in 2026. The alternatives development phase of the process began in fall 2023 and concluded at the end of 2024. The



alternatives will continue to be refined through input from partners and stakeholders as we further develop the draft environmental impact statement (EIS).

Alternatives Report

On January 17, 2025, Reclamation published the [Alternatives Report](#) to document the alternatives that were publicly released on November 20, 2024, and are anticipated to be carried forward in the draft EIS for the ongoing Post-2026 Colorado River Operations NEPA process. The alternatives identified in the report provide a reasonable and broad range of Colorado River operations that capture an appropriate range of potential environmental impacts from implementing new operational guidelines post-2026. The report also describes, in general terms, the process undertaken by Reclamation to develop the alternatives, provides a detailed description of the operational elements for each alternative, and compares the operational elements across each alternative.

Releasing Reclamation's intended approach to the alternatives in advance of publishing the draft EIS enhances transparency and public understanding of this important NEPA process and provides greater opportunities for collaboration. Information submitted following the November 20, 2024 publication of the alternatives has not been considered in this report. Reclamation will continue its efforts working with Colorado River Basin partners and stakeholders and will analyze information submitted after November 20, 2024. Additionally, Reclamation will also prepare the environmental impact analysis for the draft EIS.

Arizona, Nevada and Mexico will again get less Colorado River water in 2026

Brittany Peterson, Associated Press (Aug 15, 2025)

URL: <https://apnews.com/article/74227a81846e5be00ea7f332afef1392>

Arizona, Nevada and Mexico will again live with less water from the Colorado River as drought lingers in the West, federal officials announced Friday.

The [Colorado River](#) is a critical lifeline to seven U.S. states, 30 Native American tribes, and two Mexican states. The cuts are based on projections for levels at federal reservoirs — chief among them Lake Powell and Lake Mead — released every August by the U.S. Bureau of Reclamation.

Arizona will again go without 18% of its total Colorado River allocation, while Mexico loses 5%. The reduction for Nevada — which receives far less water than Arizona, California or Mexico — will stay at 7%. California won't face any cuts because it has senior water rights and is the last to lose in times of shortage.

Decades of overuse and the effects of long-term drought worsened by climate change means there's far more demand for water than what actually flows through the river. Low reservoir levels at Lake Mead have triggered mandatory cutbacks [every year since 2022](#), with the deepest cuts in 2023, which hit farmers in Arizona the hardest.



Meanwhile, the states are working to reach agreement by next year on new long-term rules to govern the river in dry years. The Trump administration gave a mid-November deadline for states to reach a preliminary agreement, or risk federal intervention. Negotiations have faced delays as states push back against how much water they should each give up.

The original [1922 Colorado River Compact](#) was calculated based on an amount of water that doesn't exist in today's climate. That leaves the Upper Basin states of New Mexico, Colorado, Wyoming and Utah to share far less water after the required amount is sent to the "Lower Basin" states of Nevada, Arizona and California. Lots of water is also lost to evaporation and leaky infrastructure.

Fairly splitting the river's water in the era of climate change has been vexing for years, with all of the major users hesitant to give anything up as they anticipate a drier future. There has to be enough water in the reservoirs to reach the tunnels that usher water downstream, and ideally, even more water for hydropower generation. Key infrastructure like the Hoover Dam rely on certain water levels in Lake Mead to generate electricity.

Mandatory cuts and emergency water releases are "reactive," said John Berggren, a regional policy manager at Western Resource Advocates, a nonprofit focused on climate change.

"If we are going to be able to have a sustainable Colorado River and not just be responding to crisis after crisis, we need large amounts of flexibility built into this new set of guidelines," he said.

"We can and must do better. Nature isn't waiting for us," said Becky Mitchell, Colorado's commissioner in the Upper Colorado River Commission.

States are considering a so-called natural flow approach to managing the river — where the Lower Basin would receive a certain percentage of the average natural flow from the prior few years.

The Lower Basin states have helped stave off deeper cuts by coming up with voluntary conservation plans.

Reclamation announces updated 2026 operating conditions and next steps for Post-2026 planning

U.S. Bureau of Reclamation - News Release (Aug 15, 2025)

URL: <https://www.usbr.gov/ColoradoRiverBasin/post2026/index.html>

Several reservoir and water management decisional documents and agreements that govern the operation of Colorado River facilities and management of the Colorado River are scheduled to expire at the end of 2026. These include the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead (2007 Interim Guidelines), the 2019 Drought Contingency



Plans, as well as international agreements between the United States and Mexico pursuant to the United States-Mexico Treaty on Utilization of Waters of the Colorado and Tijuana Rivers and of the Rio Grande (1944 Water Treaty).

The Post-2026 process is a multi-year NEPA process that will identify a range of alternatives and determine operations for Lake Powell and Lake Mead and other water management actions for potentially decades into the future.

Colorado River negotiators stumble past federal deadline without joint agreement

Shannon Mullane, The Colorado Sun

URL: [Colorado River negotiators stumble forward without agreement](#)

The Colorado River states are still divided — so much so that they could not reach a broad agreement on how to manage the river by their federal deadline.

The Department of the Interior gave seven Western states, including Colorado, until Tuesday to indicate whether they can reach any level of accord on how the water supply for 40 million people should be managed in the future. The current agreement, which has governed how key reservoirs store and release water supplies since 2007, expires Dec. 31. Its rules remain in effect until fall of 2026.

For months, negotiators representing the states have been at loggerheads over what the new set of rules will look like.

In a joint statement Tuesday, the seven states and federal officials said they recognize the seriousness of the basin's challenges as drought and low reservoirs have put pressure on the river's water supplies.

"While more work needs to be done, collective progress has been made that warrants continued efforts to define and approve details for a finalized agreement," the officials said in a statement released by the state of Arizona.

In June, the federal government asked states to pin down the broad strokes of an agreement by November. But the initial prepared statement did not address any key questions about a potential agreement — for example, which reservoirs will it manage? How long will the agreement last?

Nor did it [resolve sticking points](#) that have long stumped the negotiators.

The state and federal officials must decide how to plan for an uncertain water future in a changing climate with nearly empty reservoir savings banks. They're thinking of the water needs of tribal nations and environmental impacts to the Colorado River ecosystems and landscapes like the Grand Canyon.

The officials are also weighing which cities, farms, industries and environments would be hit by cutbacks in dry years, and how that could impact the future of businesses, neighborhoods and long-held traditions.

That's a big issue for Arizona, according to a letter from the state to the Secretary of the Interior Doug Burgum on Tuesday.



GLOBAL WATER NEWS

Victorian Water Accounts 2023–24 released

Victorian Water Register (Nov 11, 2025)

URL: <https://www.waterregister.vic.gov.au/about/news>

The 2023–24 Accounts tell the story of a slightly drier than average year, reflecting the varying water availability that will continue to be impacted by a warming, drying climate and a growing population.

It followed 2 years of above average rainfall, although in 16 of the last 21 years the total amount of water flowing through our rivers was lower than the long-term average.

Across 2023–24, the rainfall Victoria received ranged from the lowest on record in the state's south-west to above average in parts of the northern country, central Victoria and around Sale.

Total surface water inflows were slightly lower (93%) than the long-term average at 21,000 gigalitres (GL).

Water storage levels fell during the year to 82%, from 92%.

The total volume of groundwater, surface water, recycled water and desalinated water available decreased by almost 28,000 GL compared to the previous year – the equivalent of around 11.2 million Olympic swimming pools.

Water use breakdown

Total water use was roughly 15% higher than the previous year. Of the water used:

- 57% supported irrigation
- 22% delivered environmental benefits to rivers and wetlands
- 17% supplied our towns and cities
- 3% was used for rural domestic and stock use, and
- 2% was used for power generation.

Trends

The 2023–24 Accounts can be read in context of the recent dry conditions experienced across parts of the state.

The trends seen in 2023–24 have extended into 2025 with much of western and central Victoria being very dry and far eastern parts of the state having above average rainfall. Inflows have continued to fall across most catchments, for example Geelong's storages currently sit around 45% full and are at their lowest levels for this time of year since the millennium drought.

Across Melbourne and Geelong, the fall in water storages across 2024 and 2025 has seen the need for a [50 billion litre desalinated water order](#) being made to supplement storages and avoid water restrictions for now.

While much of the state has seen less than average rainfall over the last 18 months, parts of east Gippsland have bucked the trend with above average rainfall as the east coast



has experienced very wet periods and even flooding further north in New South Wales and Queensland.

Victoria's comprehensive approach to managing water resources sustainably is underpinned by monitoring and reporting of water availability through the Victorian Water Accounts.

This information is critical for the Victorian Government and water corporations to plan for climate change and its impacts on water availability through [Annual Water Outlooks](#), [Urban Water Strategies](#) and [Victoria's Water Security Plan](#).

NSW Water Allocation Statements - latest releases

NSW Department of Climate Change, Energy, the Environment and Water (Nov 2025)

URL: <https://www.water.dcceew.nsw.gov.au/our-work/allocations-and-availability/allocations/water-allocation-statements>

Summary: New South Wales issues updated allocation statements across major valleys, guiding temporary trading volumes and early-summer water availability.

Murray–Darling Basin Authority Communiqué - November 2025

Murray–Darling Basin Authority (Nov 2025)

URL: <https://www.mdba.gov.au/news-and-events/newsroom/murray-darling-basin-authority-communique-november-2025>

The Authority granted an extension request from the Australian Capital Territory (ACT) to have until 31 December 2026 to complete their Long-Term Watering Plan (LTWP) to allow for meaningful consultation with scientific experts, community members and First Nations. This is ACT's first LTWP and the Authority agreed that the additional time would result in a higher-quality LTWP.

The Authority met with the Basin Officials Committee (BOC) and their alternates to discuss current work programs and relevant activities with a focus on the Basin Plan Review Discussion paper.

The BOC facilitates cooperation and coordination between the Commonwealth, the Basin states and the Murray–Darling Basin Authority in funding works and managing the Basin water and other natural resources.

Members were updated on the 2025 Sustainable Diversion Limit Adjustment Mechanism (SDLAM) Assurance Report and agreed for it to be published on the MDBA website in December 2025.

The MDBA has a statutory responsibility to undertake the SDLAM reconciliation by 31 December 2026. In the lead up to reconciliation, the MDBA has committed to conducting assurance on supply measure progress and publishing its findings.

Members considered the remaining sustainable diversion limit (SDL) initial assessments for 33 groundwater units and began consideration of surface water SDL resource unit



assessments in the northern Basin. These initial assessments will be included for consultation through the Basin Plan Review Discussion Paper.

Members were updated on the progress of the draft Basin Plan Review Discussion Paper and noted the update on water quality issues and the intention to engage with First Nations further on this. The Authority also endorsed the Sustainable Yields and 2025 Murray–Darling Basin Outlook final reports for publication in late November.

Members noted that dry conditions continue for the River Murray and although Basin storage has risen in early spring, it remains slightly below the long-term average for this time of year.

Two bidders submitted proposals for the concession of the new Coquimbo Desalination Plant (Chile)

BNamericas (Oct 14, 2025)

URL: <https://www.bnamericas.com/en/news/two-bidders-submitted-proposals-for-the-concession-of-the-new-coquimbo-desalination-plant>

This Tuesday, October 14, the Technical and Economic Bids were received for the [Desalination Plant Concession project for the Coquimbo Region](#). This project involves an estimated investment of US\$318 million (UF 8,195,000) and a 21-year contract period from the date of provisional commissioning. On this occasion, bids were received from [Sacyr Aguas Chile](#) and the PDAM Mamanchay Consortium.

The bidding process continues with the Opening of Economic Bids on November 14, which would allow for the project to be awarded in the first quarter of 2026.

The Desalination Plant Concession project for the Coquimbo Region, located in the southern part of the region, specifically in Ensenada de Panul, responds to a presidential commitment. In January 2024, he announced the development of this initiative in a public-private partnership to address the water crisis that has affected that area of the country for years.

The Minister of [Public Works](#), Jessica López, emphasized that "this is a long-awaited project and a commitment from our government to the residents of the Coquimbo region. We are taking a major step toward furthering the first desalination plant to be built through the concession system, which will contribute to the area's economic recovery and water security."

Meanwhile, the Acting Director General of [Concessions](#), Claudio Soto, praised the institution's work in putting the new project out to tender in record time. "In just over a year, we developed the bidding guidelines for this project, which will ensure the water supply for more than 400,000 people. We are very pleased with the interest shown by two bidders, who will make it possible to materialize a strategic project for the region." The project involves the design, construction, and operation of a seawater desalination plant with a total capacity of 1,200 l/s and an initial operating capacity of 800 l/s,



intended for human consumption and multipurpose purposes. The initiative includes marine works, the reverse osmosis desalination plant, and the 18.7 km distribution pipeline leading to the tanks with a total volume of 8,000 m³.

During the construction phase, which can begin after the Environmental Assessment Study is processed by the DGC, the project is estimated to generate an average of 1,000 jobs per month.

Brazil's Ceará state to offer a US\$1.3bn sanitation PPP

BNamericas (Nov 4, 2025)

URL: <https://www.bnamericas.com/en/features/brazils-ceara-state-to-offer-a-us13bn-ppp-contract-to-expand-sanitation-services>

The government of the Brazilian state of [Ceará](#) has initiated the process to offer a public-private partnership (PPP) contract worth 7 billion (bn) reais (US\$1.3bn) aimed at expanding [sanitation services in the state](#).

The state-owned water and sewage company of Ceará ([Cagece](#)) has begun a [public consultation](#), which will run until November 17th, for the preparation of the tender and contract for the PPP, which will allow for the universalization of sanitation services in 128 municipalities.

"After the public consultation period ends, the contributions received will be evaluated, answered, and made available by Cagece on the company's website. The next steps in the process include analysis by the Public-Private Partnership Management Council (CGPPP) after the public consultation, analysis by the State Court of Auditors (TCE), and the launch of the bidding process," the company informed in a statement.

Cagece has not yet announced the exact date for the PPP contract auction.

The plan reinforces the sanitation sector's position as one of the most dynamic in the country in terms of new contracts and investments, attracting growing interest from financial institutions and investors.

"In Brazil, we see a very strong market in highways, sanitation, and energy transmission. We expect these three sectors to continue demanding significant investment and, consequently, considerable financing. Auction programs in these segments should remain very active," Gustavo Fava, head of the project finance division at [BTG Pactual](#), the country's largest investment bank, told BNamericas.

Since mid-2020, when the country congress approved the current legal framework for sanitation, which obliges local governments to achieve full water and sewage coverage by 2033 or risk being barred from receiving federal funds, Brazil has been experiencing a [wave of concessions and PPPs in the sector](#).

These contracts multiplied as state and municipal governments sought alternatives to accelerate investments and expand services.



The next major contract planned in this segment is for the state of [Pernambuco](#). On December 18th, the state government will hold an auction for sanitation concessions in the MRAE Sertão and RMR Pajeú regions, with estimated investments of 19bn reais. The project in Pernambuco has attracted strong interest from operators and investment funds.

Currently, [Aegea](#), [Acciona](#), [Sabesp](#), [BRK Ambiental](#), [Águas do Brasil](#), as well as the funds [Pátria](#), [Vinci Partners](#) and [Opportunity](#), are evaluating the Pernambuco contract, according to a source close to the process consulted by BNamericas, who requested anonymity.

The high volume of contracts in the sanitation sector to be offered in the coming months has led operators to seek alternatives to strengthen their capital structure and gain the necessary resources to participate in these processes.

Recently, BRK Ambiental, (70%) controlled by [Brookfield](#), announced plans to launch a public offering of shares.

"The actual completion of the potential offering, as well as the definition of its terms and conditions, is subject, among other factors, to the conditions of the Brazilian and international capital markets," the company said in a statement.

Iranian capital faces water rationing and evacuations if it doesn't rain soon, president warns

Associated Press (Nov 8, 2025)

URL: <https://apnews.com/article/iran-president-water-crisis-rain-evacuation-da5f9ccd264d525ed16aa53ea76dcf8a>

Iran's president has warned that the capital is facing an unprecedented water and energy crisis as reservoirs have plunged to historic lows, threatening supplies of drinking water and electricity generation, it was reported on Friday.

"If it doesn't rain in Tehran by late November, we'll have to ration water. And if it still doesn't rain, we'll have to evacuate Tehran," President Masoud Pezeshkian was cited as saying on Thursday by the SNN.ir semi-official news agency.

Pezeshkian described the situation as "extremely critical," citing reports that Tehran's dam reservoirs have fallen to their lowest level in 60 years.

The city has entered its sixth consecutive year of drought, with some dams at less than 10% of capacity.

Officials say that in the east of Tehran, the Latyan Dam — one of five key reservoirs — is only about 9% full.

"Latyan's water storage is just nine million cubic meters," Deputy Energy Minister Mohammad Javanbakht said recently, calling the situation "critical."

Tehran, a sprawling city of about 9.1 million residents located within a province of roughly 14.5 million people, relies heavily on hydropower. But as rivers and wetlands



have dried up, power output has plummeted, forcing some plants offline for lack of cooling water. Officials have described the water shortage as “unprecedented.”

Panama Canal bets on LPG transits to offset world trade slowdown next year

Marianna Parraga, Reuters (Nov 4, 2025)

URL: <https://www.reuters.com/business/energy/panama-canal-bets-lpg-transits-offset-world-trade-slowdown-next-year-2025-11-04/>

The Panama Canal expects an increase in transits of liquefied petroleum gas (LPG) vessels and carriers of some agricultural commodities to help it compensate for a reduction in world trade next year, the waterway's chief told Reuters on Monday. The world's second-busiest interoceanic waterway registered a 14% revenue increase to \$5.7 billion in the fiscal year ended in September and saw 19% more transits, with LPG vessels and container ships moving more cargoes through the canal that connects the Pacific and Atlantic oceans.

COP30 adaptation finance discussions highlight water scarcity and flood-risk investment gaps

Reuters (Nov 11, 2025)

URL: <https://www.reuters.com/world/cop30-adaptation-finance-water-scarcity-gaps-2025-11-11/>

With typhoons tearing across Southeast Asia this week while areas of Jamaica and Brazil are still clearing debris from damaging storms, delegates at Brazil's COP30 summit began grappling with how best to help the vulnerable withstand worsening weather and other climate extremes.

The topic of "adaptation" has grown more important as countries fail to rein in climate-warming emissions enough to prevent extreme warming linked to increasingly frequent weather disasters across the planet. A U.N. report last month said developing countries alone would need up to \$310 billion every year by 2035 to prepare.

Where that money will come from is unclear. Ten of the world's development banks, under pressure to free more cash for climate action, said on Monday they would continue to support the need.

"Lives, well-being and jobs cannot be sustained where homes, schools, farms and businesses are under threat from flooding, drought, or other climate extremes," the banks said in a statement. Last year, they channeled more than \$26 billion to low- and middle-income economies for adaptation.

The Economic Repricing of Water Has Already Started

Forbes Felicia Jackson (Nov 11, 2025)

URL: <https://www.forbes.com/sites/feliciajackson/2025/11/11/the-economic->



[repricing-of-water-has-already-started/](#)

Water has quietly become one of the most important variables in the global economy. As climate pressures intensify and artificial intelligence accelerates energy and water demand, the world's most basic resource is proving to be its most undervalued. From data centers and factories to farms and cities, the [ability to secure, manage, and price water](#) now shapes everything from credit ratings to national stability.

Measuring The Invisible

For decades, companies treated water as an environmental disclosure issue, noted in sustainability reports but rarely quantified beyond direct withdrawals, often [representing less than 10%](#) of their total footprint. That is changing quickly as new tools make water dependence visible across supply chains.

One of the most advanced is the [Water Footprint Assessment tool](#), built on decades of research at the University of Twente. It calculates both direct and indirect water use with basin-level granularity, producing blue and grey water footprints that show where consumption and pollution actually occur. It follows the methodology used in emerging frameworks such as the EU's Corporate Sustainability Reporting Directive and the Science Based Targets for Nature.

For many companies, this level of detail is new. If direct withdrawals are a small part of reported water use, the tool exposes the rest: the agricultural inputs, chemical precursors and manufactured components embedded in global supply chains. Because it uses externally verified, geographically specific datasets, results can be reproduced and audited, an essential need as water moves into mainstream financial reporting.

By illuminating where and how water is used, the platform gives firms a clearer view of procurement exposure, local scarcity, pollution risks and reputational pressure. For companies that have never quantified more than their utility bill, these insights can be transformative, shifting water from a compliance topic to a strategic variable in procurement, investment, and long-term risk management.

Valuing What We Measure

Measurement solves one half of the problem. Valuation solves the other. Grundfos, the Danish water-technology company, worked with Economist Impact to build the [Water Access Tool](#), which approaches the question from a different direction. Instead of measuring corporate footprints, it quantifies how improvements in local water access translate into health, education and productivity gains and then expresses those outcomes in economic terms.

This tool models links between water reliability and reductions in disease burden, improved school attendance, higher workforce participation and local income growth. It maps these relationships across 7 countries, giving governments and companies a way to express the economic value of safe water in practical, comparative terms.



Jordan's \$6 bn Water Project Nears Financial Close

MEED

URL: <https://www.meed.com/jordans-6bn-water-project-nears-financial-close>

Jordan's \$6bn Aqaba-Amman water desalination and conveyance project is nearing financial close, with the US-based International Finance Corporation (IFC) preparing to approve a \$375m loan for the project.

Approval of the loan would be a key step towards financial close for the country's largest water infrastructure development.

A senior official told MEED that the loan is likely to be approved at the board's final review, scheduled for 18 December.

Earlier estimates had valued the project at \$3.5bn, but the total cost has now risen to about \$6bn, the source confirmed.

The scheme will be developed on a design-build-finance-operate-maintain-transfer basis under a 30-year [public-private-partnership](#) agreement.

A special-purpose vehicle (SPV), the National Carrier Project Company, has been set up to run the project as part of the partnership between Jordan's Water & Irrigation Ministry and a consortium led by Paris-based investment and utility firms Meridiam and Suez.

Meridiam owns 90% of the equity in the SPV and Suez holds 10%.

According to an IFC disclosure in October, the financing will be supplemented by mobilised funds and hedging arrangements, alongside other development partners such as the European Investment Bank and Germany's KfW.

MEED understands that the US International Development Corporation is also involved in co-financing for the project, which involves blended finance, combining concessional and climate-linked funding instruments.

Jordan's water scarcity

Known as the National Water Carrier Project, the development aims to meet about 40% of Jordan's municipal water demand by 2040.

It will supply about 300 million cubic metres of potable water a year from the Red Sea to Amman and other regions.

The project is crucial to addressing Jordan's severe water scarcity issue. As one of the world's most water-stressed countries, it consumes nearly 1 billion cubic metres of water a year.

The domestic sector consumes approximately 50% of this, with only 61 cubic metres of water available per person a year, far below the global absolute water scarcity level of 500 cubic metres of water per capita.

The project's cost has increased as the final design expanded beyond the original desalination and pipeline scope.



It now comprises three main components: a marine intake and outfall system and large-scale desalination plant in Aqaba, a 438 kilometre (km) conveyance pipeline delivering water to Amman and a 280MW solar photovoltaic plant in Al-Quweira to supply part of the project's energy needs.

The conveyance system will cross the governorates of Aqaba, Ma'an, Tafila, Karak and Amman, largely following existing transport and energy corridors.

Associated facilities include a 60km transmission line to be operated by the National Electric Power Company (Nepco) and the expansion of two existing reservoirs in Amman.

The engineering, procurement and construction contract was previously awarded to a consortium including Egypt's Orascom Construction and France's Vinci Construction Grands Projets.

Construction is expected to start in 2026 and take four years.

Note the attachment is not an inducement to trade and Veles Water does not give advice on investments.

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